# Public Gas Company 8500 Station Street, Suite 100 Mentor, OH 44060 Tele (440) 974-3770

RECEIVED

JAN 09 2015

PUBLIC SERVICE COMMISSION

January 2, 2015

Mr. Jeff Derouen Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

RE: Public Gas Company
Case No.
GCR Filing Proposed to Become
Effective February 1, 2015

Dear Mr. Derouen:

Enclosed are an original and ten copies of Public Gas Company's Cost Recovery (GCR) filing for rates proposed to become effective February 1, 2015. Also included are an original and ten copies of 74th revision sheet No. 1 of Public's PSC Kentucky No. 1 Tariff, which is being filed pursuant to the Purchased Gas Adjustment provision of that Tariff.

This filing proposes a GCR rate of \$5.0371 per MCF of sales.

Sincerely,

Cynthia Lembach Staff Accountant

Cyrétia d'evelade

# Public Gas Company

Quarterly Report of Gas Cost Recovery Rate Calculation

APPENDIX B Page 1

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JAN 09 2015

PUBLIC SERVICE COMMISSION

Date Filed: January 2, 2015
Date Rates to be Effective: February 1, 2015
Reporting Period is Calendar Quarter Ended: October 31, 2014

# SCHEDULE I

# GAS COST RECOVERY RATE SUMMARY

Expected Gas Cost (EGC) \$/Mcf \$ 4.6713  + Refund Adjustment (RA) \$/Mcf \$		Component	<u>Unit</u>		Amount
+ Refund Adjustment (RA)		Expected Gas Cost (EGC)	\$/Mcf	\$	4.6713
+ Actual Adjustment (AA) + Balance Adjustment (BA)  = Gas Cost Recovery Rate (GCR)  GCR to be effective for service rendered from February 01, 2015  A. EXPECTED GAS COST CALCULATION  Total Expected Gas Cost (Schedule II) - Sales for the 12 months ended  Expected Gas Cost (EGC)  B. REFUND ADJUSTMENT CALCULATION  Third Previous Quarter Reported Actual Adjustment  Third Previous Quarter Reported Actual Adjustment  Actual Adjustment for the Reporting Period (Schedule IV) - Previous Quarter Reported Actual Adjustment - Second Previous Quarter Reported Actual Adjustment - Actual Adjustment (AA)  D. BALANCE ADJUSTMENT CALCULATION - Balance Adjustment for the Reporting Period (Schedule V) - Previous Quarter Reported Balance Adjustment - Second Previous Quart	+		\$/Mcf	\$	-
+ Balance Adjustment (BA) \$/Mcf \$ -  Gas Cost Recovery Rate (GCR) \$/Mcf \$ 5.0371  GCR to be effective for service rendered from February 01, 2015 to April 30, 2015  A. EXPECTED GAS COST CALCULATION Unit Amount  Total Expected Gas Cost (Schedule II) \$ 654,265  \$ Sales for the 12 months ended Mcf 140,059  Expected Gas Cost (EGC) \$/Mcf \$ 4.6713  B. REFUND ADJUSTMENT CALCULATION Unit Amount  + Supplier Refund Adjustment for Reporting Period (Schedule III) \$/Mcf \$ -  Previous Quarter Supplier Refund Adjustment \$/Mcf \$ -  Previous Quarter Supplier Refund Adjustment \$/Mcf \$ -  Refund Adjustment (RA) \$/Mcf \$ -  Refund Adjustment (RA) \$/Mcf \$ 0.0639  + Previous Quarter Reported Actual Adjustment \$/Mcf \$ 0.0394  + Second Previous Quarter Reported Actual Adjustment \$/Mcf \$ 0.0394  + Previous Quarter Reported Actual Adjustment \$/Mcf \$ 0.0417  Actual Adjustment (AA) \$/Mcf \$ 0.0417  - Actual Adjustment (AA) \$/Mcf \$ 0.3658  D. BALANCE ADJUSTMENT CALCULATION Unit Amount Balance Adjustment for the Reported Balance Adjustment \$/Mcf \$ -  Previous Quarter Reported Balance Adjustment \$/Mcf \$ -			\$/Mcf	\$	0.3658
= Gas Cost Recovery Rate (GCR) \$/Mcf \$ 5.0371  GCR to be effective for service rendered from February 01, 2015 to April 30, 2015  A. EXPECTED GAS COST CALCULATION Unit Amount  Total Expected Gas Cost (Schedule II) \$ 654,265  ÷ Sales for the 12 months ended Mcf 140,059  = Expected Gas Cost (EGC) \$/Mcf \$ 4.6713  B. REFUND ADJUSTMENT CALCULATION Unit Amount  + Supplier Refund Adjustment for Reporting Period (Schedule III) \$/Mcf \$ -  + Previous Quarter Supplier Refund Adjustment \$/Mcf \$ -  + Previous Quarter Supplier Refund Adjustment \$/Mcf \$ -  + Third Previous Quarter Supplier Refund Adjustment \$/Mcf \$ -  - Refund Adjustment (RA) \$/Mcf \$ -  - ACTUAL ADJUSTMENT CALCULATION Unit Amount  Actual Adjustment for the Reporting Period (Schedule IV) \$/Mcf \$ 0.0639  + Previous Quarter Reported Actual Adjustment \$/Mcf \$ 0.0394  + Second Previous Quarter Reported Actual Adjustment \$/Mcf \$ 0.0394  + Second Previous Quarter Reported Actual Adjustment \$/Mcf \$ 0.0417  - Actual Adjustment (AA) \$/Mcf \$ 0.3658  D. BALANCE ADJUSTMENT CALCULATION Unit Amount Balance Adjustment (AA)  D. BALANCE ADJUSTMENT CALCULATION Unit Amount Balance Adjustment for the Reporting Period (Schedule V) \$/Mcf \$ 0.3658  D. BALANCE ADJUSTMENT CALCULATION Unit Amount Salance Adjustment (AA)  D. BALANCE ADJUSTMENT CALCULATION Unit Amount Salance Adjustment S/Mcf \$ -  + Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Previous Quarter Reported Balance Adjustment \$/Mcf \$ -  + Third Pre			\$/Mcf	\$	-
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<ul> <li>Sales for the 12 months ended</li> <li>Expected Gas Cost (EGC)</li> <li>\$/Mcf</li> <li>\$4.6713</li> <li>REFUND ADJUSTMENT CALCULATION</li> <li>Unit</li> <li>Amount</li> <li>Supplier Refund Adjustment for Reporting Period (Schedule III)</li> <li>Frevious Quarter Supplier Refund Adjustment</li> <li>Second Previous Quarter Supplier Refund Adjustment</li> <li>Third Previous Quarter Supplier Refund Adjustment</li> <li>Refund Adjustment (RA)</li> <li>ACTUAL ADJUSTMENT CALCULATION</li> <li>ACTUAL ADJUSTMENT CALCULATION</li> <li>Previous Quarter Reported Actual Adjustment</li> <li>S/Mcf</li> <li>O.0639</li> <li>Previous Quarter Reported Actual Adjustment</li> <li>S/Mcf</li> <li>O.2208</li> <li>Third Previous Quarter Reported Actual Adjustment</li> <li>Actual Adjustment (AA)</li> <li>Actual Adjustment (AA)</li> <li>BALANCE ADJUSTMENT CALCULATION</li> <li>Balance Adjustment for the Reporting Period (Schedule V)</li> <li>Amount Balance Adjustment for the Reporting Period (Schedule V)</li> <li>Previous Quarter Reported Balance Adjustment</li> <li>Amount Balance Adjustment for the Reported Balance Adjustment</li> <li>S/Mcf</li> <li>Previous Quarter Reported Balance Adjustment</li> <li>S/Mcf</li> <li>Foecond Previous Quarter Reported Balance Adjustment</li> <li>S/Mcf</li> <li>Third Previous Quarter Reported Balance Adjustment</li> </ul>	Α.	EXPECTED GAS COST CALCULATION	<u>Unit</u>		<u>Amount</u>
<ul> <li>Sales for the 12 months ended</li> <li>Expected Gas Cost (EGC)</li> <li>\$/Mcf</li> <li>\$4.6713</li> <li>REFUND ADJUSTMENT CALCULATION</li> <li>Unit</li> <li>Amount</li> <li>Supplier Refund Adjustment for Reporting Period (Schedule III)</li> <li>Frevious Quarter Supplier Refund Adjustment</li> <li>Second Previous Quarter Supplier Refund Adjustment</li> <li>Third Previous Quarter Supplier Refund Adjustment</li> <li>Refund Adjustment (RA)</li> <li>ACTUAL ADJUSTMENT CALCULATION</li> <li>ACTUAL ADJUSTMENT CALCULATION</li> <li>Previous Quarter Reported Actual Adjustment</li> <li>S/Mcf</li> <li>O.0639</li> <li>Previous Quarter Reported Actual Adjustment</li> <li>S/Mcf</li> <li>O.2208</li> <li>Third Previous Quarter Reported Actual Adjustment</li> <li>Actual Adjustment (AA)</li> <li>Actual Adjustment (AA)</li> <li>BALANCE ADJUSTMENT CALCULATION</li> <li>Balance Adjustment for the Reporting Period (Schedule V)</li> <li>Amount Balance Adjustment for the Reporting Period (Schedule V)</li> <li>Previous Quarter Reported Balance Adjustment</li> <li>Amount Balance Adjustment for the Reported Balance Adjustment</li> <li>S/Mcf</li> <li>Previous Quarter Reported Balance Adjustment</li> <li>S/Mcf</li> <li>Foecond Previous Quarter Reported Balance Adjustment</li> <li>S/Mcf</li> <li>Third Previous Quarter Reported Balance Adjustment</li> </ul>		Total Exported Gas Cost (Schedule II)	\$	\$	654 265
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			\$/Mcf	\$	-
	=		\$/Mcf	\$	-

## SCHEDULE II

## **EXPECTED GAS COST**

Actual * MCF Purch	ases for 12 m	onths ended	October 3	1, 2014	
(1)	(1) (2)		(4) Sales	(5)**	(6) (3) X (5)
Supplier	Dth	Mcf	Mcf	Rate	Cost
11/30/2013		11,388	11,131	4.5890	52,259.71
12/31/2013	9/25/2014	20,364	19,771	4.5890	93,450.71
1/31/2014		31,058	30,153	4.5890	142,525.65
2/28/2014		24,148	24,961	4.5890	- I was a second of the second
3/31/2014		16,128	15,658	4.5890	74,011.64
4/30/2014		12,800	13,851	4.5890	· ·
5/31/2014		5,010	4,864	4.5890	
6/30/2014		3,304	3,208	4.5890	
7/31/2014		9,526	9,249	4.5890	
8/31/2014		2,091	2,291	4.5890	
9/30/2014		1,956	1,492	4.5890	
10/31/2014		4,799	3,430	4.5890	
		142,572	140,059		654,265.14
Line loss for 12 m	nonths ended	October 31, 2014	is	1.7623%	based on purchases of
	142,572	Mcf and sales of	140,059		Mcf.
				<u>Unit</u>	Amoun
Total Expected C  ÷ Mcf Purchases (4)		ses (6)		\$ Mcf	\$ 654,265.14 142,572
= Average Expecte x Allowable Mcf Pu	d Cost Per M		ales ÷ .95)	\$/Mcf Mcf	\$ 4.5890 142,572
= Total Expected G	,		\$	\$ 654,265.14	

<sup>\*</sup> Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.
\*\* Supplier's tariff sheets or notices are attached.

# \$5.0371 Per Attached Schedule

## SCHEDULE III

# SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended

October 31, 2014

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received + Interest	\$ \$	0
<ul><li>Refund Adjustment including interest</li><li>Sales for 12 months ended</li></ul>	\$ Mcf	0 140,059
<ul> <li>Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)</li> </ul>	\$/Mcf	0

## SCHEDULE IV

# **ACTUAL ADJUSTMENT**

For the 3 month period ended October 31, 2014

<u>Particulars</u>	<u>Unit</u>		Month 1 (Aug 14)		Month 2 (Sep 14)	Month 3 (Oct 14)
Total Supply Volumes Purchased Total Cost of Volumes Purchased ÷ Total Sales	Mcf \$ Mcf	\$	2,091.0 11,916.42 2,291.1	\$	1,956.0 11,538.81 1,492.0	\$ 4,799.0 28,458.66 3,430.3
(may not be less than 95% of supply volumes)						
= Unit Cost of Gas	\$/Mcf	\$	5.2012	\$	7.7338	\$ 8.2963
- EGC in effect for month	\$/Mcf	\$	5.9555	\$	5.9555	\$ 5.9555
= Difference [(over-)/Under-Recovery]	\$/Mcf	\$	(0.7543)	\$	1.7783	\$ 2.3408
x Actual sales during month	Mcf		2,291.1		1,492.0	3,430.3
= Monthly cost difference	\$	\$	(1,728.23)	\$	2,653.20	\$ 8,029.51
					<u>Unit</u> \$	<u>Amount</u>
Total cost difference (Month 1 + Month 2	Total cost difference (Month 1 + Month 2 + Month 3)					\$ 8,954.49
÷ Sales for 12 months ended			Mcf	140,059.4		
= Actual Adjustment for the Reporting Per	Actual Adjustment for the Reporting Period (to Schedule IC.)					\$ 0.0639

#### Jefferson Gas, LLC Natural Gas Sales Price Calculations - Public Gas Company, Inc.

## Estimated sales price for the three months ending October 31, 2014:

Col A		Col B	Col C		Col D	Col E		Col F	Col G		Col H
				(Co	B + Col C)	(Btu Factor	(C	ol D * Col E)		(Col	F + Col G)
						Per Mcf)					
Period	N	IYMEX	TCO	E	Expected	Mmbtu/Mcf		Expected	Contract		Total
	F	utures	Basis	Appa	lachian Index	Conversion	App	alachian Index	Addition	E	xpected
	Set	tle Price*	Adjustment	Р	er Mmbtu	Factor - Estimated		Per Mcf	Per Mcf	Pri	ce per Mcf
Feb-15	\$	2.889	\$ (0.129)	\$	2.760	1.117	\$	3.082	1.500	\$	4.582
Mar-15	\$	2.896	\$ (0.129)		2.746	1.116	\$	3.064	1.500	\$	4.564
Apr-15	\$	2.881	\$ (0.091)		2.790	1.118	\$	3.120	1.500	\$	4.620
										\$	13.767

<sup>\*</sup> Settle price as of <u>January 2, 2015</u> taken from NYMEX website Nymex New Your Mercantile Exchange & www.barchart.com

Average Cost \$ 4.5890

Rate   Cost   Unit (Machine   Customer Charge   \$ 10.00			FOR	Entire Service	Area
PUBLIC GAS COMPANY (NAME OF UTILITY)  Applies to: All Customers Rate, Monthly:  Base Gas Rate Parte Cost Unit (Note that the cost Unit (Note that			PSC KY NO.	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
NAME OF UTILITY    73rd Revised   SHEET NO.			74th Revised	SHEET NO.	
Applies to: All Customers Rate, Monthly:  Base Gas Rate p Rate Cost Unit (N Customer Charge \$ 10.00  All Mcf \$ 3.0914 \$ 5.0371 \$ 8.12  DATE OF ISSUE January 2, 2015 Month / Date / Year DATE EFFECTIVE February 1, 2015 Month / Date / Year	PUBLIC GAS COM	IPANY	CANCELLING	G PSC KY NO.	
Base   Gas   Rate   Cost   Unit (M)	(NAME OF U	JTILITY)	73rd Revised	SHEET NO.	
Rate   Cost   Unit (M)		tomers			
All Mcf \$ 3.0914 \$5.0371 \$ 8.12  DATE OF ISSUE			Rate	Cost	Rate per Unit (Mcf)
DATE OF ISSUE  January 2, 2015  Month / Date / Year  DATE EFFECTIVE  February 1, 2015  Month / Date / Year	Customer Charge		\$ 10.00		
DATE EFFECTIVE February 1, 2015  Month / Date / Year	All Mcf		\$ 3.0914	\$5.0371	\$ 8.1285
DATE EFFECTIVE February 1, 2015  Month / Date / Year					
DATE EFFECTIVE February 1, 2015  Month / Date / Year					
Month / Date / Year	DATE OF ISSUE	January 2, 2015  Month / Date / Year	_		
ISSUED BY \s\ Cynthia L Lembach	DATE EFFECTIVE		-,-		
	ISSUED BY	\s\ Cynthia L Lembach			

Staff Accountant

TITLE